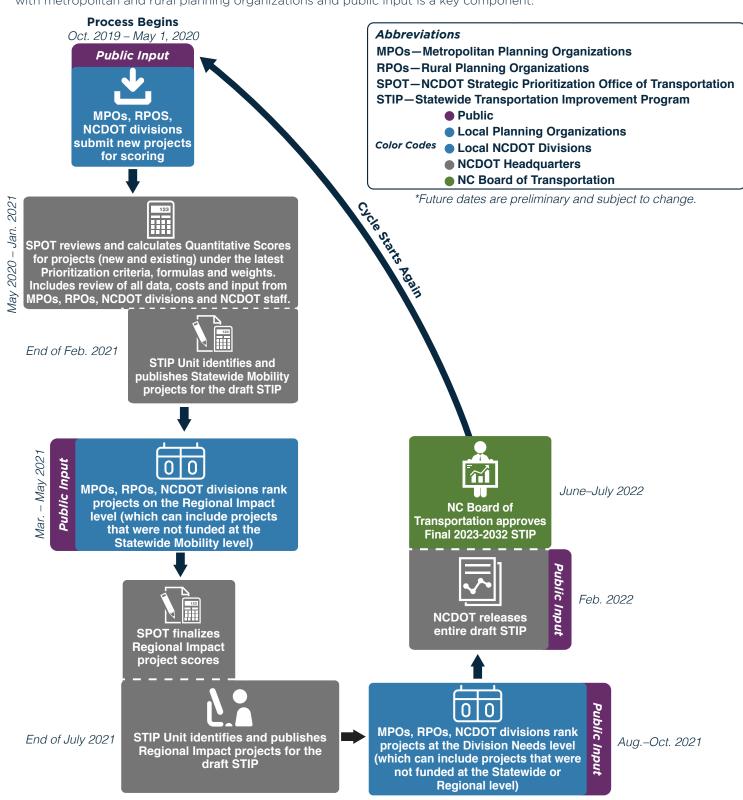


STATE TRANSPORTATION IMPROVEMENT PROGRAM DEVELOPMENT

The State Transportation Improvement Program (STIP) is the North Carolina Department of Transportation's (NCDOT) 10-year schedule for projects. It is updated approximately every two years using a data-driven process called Prioritization, as well as the latest financial information, and status of preconstruction activities. The process is established in the Strategic Transportation Investments (STI) law, which also mandates ongoing evaluation and improvement. Collaboration with metropolitan and rural planning organizations and public input is a key component.



STRATEGIC TRANSPORTATION INVESTMENTS LAW

Passed in 2013, the Strategic Transportation Investments Law (STI) allows NCDOT to use its funding more efficiently and effectively to enhance the state's infrastructure, while supporting economic growth, job creation and a higher quality of life. This process encourages thinking from a statewide and regional perspective, while also providing flexibility to address local needs.

STI allocates available revenues based on data-driven scoring and local input. It was implemented for the first time to develop the 2016-2025 State Transportation Improvement Program (STIP), which schedules the projects that will be funded during a 10-year period. While federal law requires it to be updated at least every four years, NCDOT typically updates the STIP every two years.

PRIORITIZATION

NCDOT uses a transparent, data-driven method for prioritizing transportation investment decisions. Through the process, called Prioritization, potential transportation improvement projects are submitted to NCDOT to be scored and ranked at the statewide, regional and division levels, based on approved criteria such as safety, congestion, benefit-cost and local priorities. These scores and other factors are used to determine whether a project receives funding. The current round of Prioritization is referred to as P6.0.

HOW THE STI LAW WORKS

STI funds projects in three categories:

- Division Needs
- · Regional Impact
- Statewide Mobility

Division Needs

Projects in this category receive 30 percent of the available revenue, shared equally over NCDOT's 14 transportation divisions, which are groupings of local counties. Project scores are based 50 percent on data and 50 percent on rankings by local planning organizations and the NCDOT transportation divisions.

Regional Impact

Projects in this category receive 30 percent of available revenue. Projects on this level compete within regions made up of two NCDOT transportation divisions, with funding divided among the regions based on population. Data makes up 70 percent of the project scores in this category. Local rankings account for the remaining 30 percent.

Statewide Mobility

Projects in this category receive 40 percent of available revenue. The project selection process is based 100 percent on data.

